

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION)
OF DOE CREEK SEWER UTILITY,)
INC., FOR A NEW SCHEDULE OF)
RATES AND CHARGES)

CAUSE NO. 43530-U

FILED

MAR 02 2009

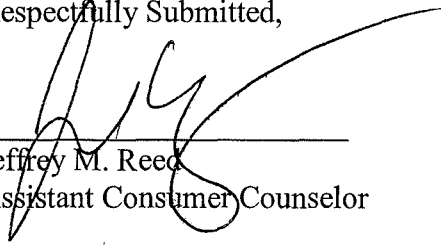
INDIANA UTILITY
REGULATORY COMMISSION

REPORT OF

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

MARCH 2, 2009

Respectfully Submitted,

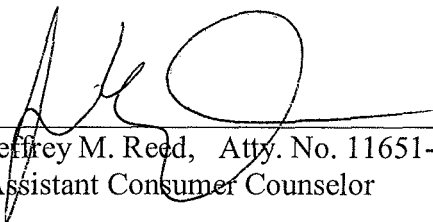


Jeffrey M. Reed
Assistant Consumer Counselor

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing has been served upon the following parties of record in the captioned proceeding by electronic mail on March 2, 2009.

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DOE CREEK SEWER UTILITY, INC.

REPORT OF THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

Cause No. 43530-U

Prepared by: Richard Corey, Edward Kaufman, and Roger Pettijohn

I. Introduction

Doe Creek Sewer Utility, Inc. (hereafter "Doe Creek", "Petitioner" or "Applicant") is a public utility as defined by IC 8-1-2-1. It has not opted out of the jurisdiction of the Indiana Utility Regulatory Commission ("Commission") for purposes of rates and charges and accordingly the Commission has jurisdiction over Doe Creek for purposes of determining Doe Creek's rates.

On July 7, 2008 Doe Creek filed an application with the Commission seeking to increase its rates and charges pursuant to 170 IAC 14-1, which establishes procedures for rate changes for utilities with fewer than 5,000 customers. On July 24, 2008, the Commission's Senior Utility Analyst, Mr. Joel Fishkin, issued a memorandum stating that the Commission Staff considered Doe Creek's application to be incomplete due to notification deficiencies pursuant to 170 IAC 14-1-2.

On September 12, 2008 Mr. Fishkin issued a memorandum stating that items that were missing in the original filing had been provided and that the application was then complete. 170 IAC 14-1-4(a) requires the OUCC to file its report within 90 days after the filing of a completed application.

On December 5, 2008 the OUCC filed its request for a public field hearing pursuant to Indiana Code 8-1-2-61.5 stating that it had received a letter with eleven signatures from individuals who are customers of the utility and who were asking that a field hearing be held. The OUCC additionally requested that if the Commission granted its request for a field hearing it be granted an extension of up to 21 calendar days after the field hearing to file its report. On December 16, 2008 the Commission issued a docket entry granting the requested field hearing which was to be held on February 9, 2009.

The following report addresses Doe Creek's application. First, the report discusses Doe Creek's characteristics followed by a brief description of the relief Doe Creek seeks in this cause. Also, the OUCC discusses Doe Creek's proposed expense adjustments and recommends a revenue increase of \$39,751 or rate increase of 21.52%.

II. Doe Creek's Characteristics

Doe Creek Sewer Utility, Inc. is a for-profit investor-owned corporation that provides wastewater utility services to approximately 380 residential customers in a rural area of western Hancock County, Indiana. Petitioner renders its service by means of utility plant, property, equipment and facilities owned, operated, managed and controlled by it, and used for the provision of utility service.

III. Nature of Request

Currently, Doe Creek charges a basic Single Family Resident rate of \$39.50 per month, which was approved by the Commission in its Order in Cause 40108, dated May 24, 1995. Rates for other classes of customers are based on equivalency factor units (EDU's) which assign the basic single family resident rate a factor of 1.0, and other types of customers equivalency factors ranging from .4 to 2.0 based on the type of customer. Doe Creek's application indicates that it seeks to increase its rates and charges across the board by 34.96%, which includes as a revenue requirement representing a return on original cost rate base of \$571,605 and a weighted cost of capital of 5.46%. The increase as requested would result in a single family residence rate of \$53.31 per month.

Doe Creek's proposed rate would provide additional revenues to pay for increased operating expenses in part stemming from plant additions discussed in the facility operations section of this report. Also, this report contains discussion and recommendations related to Doe Creek's proposed expense adjustments.

IV. Pertinent History

Petitioner has had two previous rate cases; its initial rates were established by the Commission's order in Cause No. 35881, dated May 14, 1980. On December 19, 1994 the utility filed Cause No. 40108 with the Commission requesting authorization to increase its rates and charges by 79%. Pursuant to a settlement agreement executed May 9, 1995, the Commission issued its order on May 24, 1995 authorizing an across the board increase in rates and charges of approximately 58.2%.

V. Accounting Adjustments

The OUCC agrees with Doe Creek's adjustments for Payroll Expense, F.I.C.A Tax Expense, and Pro-forma Present Indiana Utility Receipts Tax. These adjustments are shown on attached OUCC Schedule 5 as Adjustments 1, 3 and 4. The OUCC reviewed Doe Creek's books and records on October 1, 2008. Based on its review, the OUCC proposes the following accounting adjustments.

A. Contributions in Aid of Construction

If a utility elects to amortize its Contributions in Aid of Construction (CIAC), this election requires the corresponding step of reducing depreciation expense on the contributed plant. Previous Commission orders support the general Indiana practice of allowing a utility to recover depreciation expense on contributed plant. But these orders do not support a utility recovering depreciation expense on contributed plant while it has *also* amortized its CIAC for purposes of establishing its rate base. Rather, these orders suggest the opposite. The Commission's recent order in Hamilton Southeastern Utilities, Inc., Cause No. 43435, issued on February 11, 2009 is very instructive on this issue

In the present case, in its Pro-forma Operating Income Statement (Petitioner's filing page 11) Petitioner removes \$20,594 of amortization of CIAC. This adjustment is not included in the Detail of Petitioner's Adjustments (Petitioner's filing page 13). This removal of CIAC amortization from the income statement is inappropriate based on the following analysis.

Assuming fair value and original cost are equal, the revenue requirement for an investor owned utility is determined by multiplying its original cost rate base by its applicable weighted cost of capital to derive the net operating income required for an appropriate return on the utility owner's investment. The rate base is calculated by determining the utility's plant in service at the end of the test year, and deducting accumulated depreciation and CIAC net of accumulated amortization of CIAC.

CIAC is deducted from utility plant in service to determine rate base because it represents that part of the plant that has been contributed to the utility and is not part of the investment that the utility owners earn a return on. The presence of CIAC on the utility's balance sheet as a reduction to rate base is problematic in that, since the utility plant is being depreciated over a period of time (in this case the utility is using the composite rate of 2.5% which causes plant to be completely depreciated over forty years) if the amount of CIAC remains constant the gradually decreasing value of utility plant in service less accumulated depreciation (or "net utility plant") could lead to a negative rate base. Should this occur, the utility would be unable to obtain a return on the negative amount.

The solution is to amortize the CIAC at the same rate as the utility plant is being depreciated. From an accounting perspective, the entries would work as follows:

Each month the appropriate amount of depreciation expense (a debit) would be recognized in the utility's income statement. This would necessitate an equal increase in the accumulated depreciation (a credit) on the balance sheet. Accumulated depreciation offsets the utility plant debit balance to derive net utility plant, and would over time reduce the utility plant until, assuming no acquisition or disposal of utility plant assets, its balance became zero.

When utility customers pay rates that are structured to recover depreciation expense on contributed plant or CIAC, the ratepayers are providing capital to replace plant that the utility never provided. If this "returned" capital is used to replace contributed plant, the utility earns a return on capital it has never itself provided. The proper application of the original unamortized value of CIAC is to deduct it from utility plant in service thereby preventing the utility from earning a return *on* ratepayer supplied capital.

To avoid the negative rate base, the amortization of CIAC each month is also required. Once again the appropriate amount is recorded on the income statement as "amortization of CIAC" (a credit or "contra-account" to depreciation). The corresponding debit is to increase the accumulated amortization of CIAC, a balance sheet account that is netted against (reduces) CIAC and over time reduces the amount of "net CIAC". The example in the attached "OUCC's Exhibit 1" illustrates these concepts.

In the present cause the utility proposes to continue to increase the balance of accumulated amortization of CIAC and thereby slow the reduction of the amount of rate base upon which it can obtain a return, while removing the amortization of CIAC (a negative expense or "contra" account to depreciation) from the income statement. Removing the amortization of CIAC as a negative expense on the income statement results in higher total costs and causes the utility to artificially show a lower "*pro-forma* present net operating income" which when deducted from the revenue required for return on rate base results in an artificially inflated recommended revenue increase. Accordingly the OUCC has replaced the amortization of CIAC into the pro-forma income statement (See OUCC Schedule 4)

B. Rate Case Expense

In preparing its filing, Doe Creek estimated that it would incur rate case costs in the form of legal, accounting and engineering fees of \$10,000, \$15,000 and \$5,000 respectively. Petitioner proposed amortizing this cost over three years for an annual rate case expense of \$10,000. From this amount Petitioner proposed to deduct a "Small Utility Filing Adjustment" of \$5,000 for an adjusted annual rate case expense of \$5,000 to be recovered in rates. In response to an OUCC data request Petitioner stated that the "Small Utility Filing Adjustment" represented legal and engineering costs that would be able to be avoided under the Small Utility filing procedure. Also, in its adjustment, Petitioner did not deduct anything for test year rate case expense.

Since Petitioner does not anticipate that any cost for legal and engineering will be incurred in this filing, the OUCC's adjustment excludes those fees in the amounts of \$10,000 and \$5,000, and the "Small Utility Filing Adjustment". However, during the audit it was determined that Petitioner incurred legal expenses paid during the test year for analysis relating to the small utility filing procedures. As can be seen on OUCC Schedule 5, Adjustment number 2, this amount has been considered in the Public's adjustment.

This utility has not been in for a rate increase in fourteen years and very likely will not return for another rate case for a period of time substantially longer than the requested three year amortization period. Accordingly, and based on the OUCC's experience with other small independently owned utilities of this size the three year amortization period should be increased to five years. (See Schedule 5, Adjustment 2).

C. Conversion Factor

Petitioner does not use a Gross Revenue Conversion Factor in calculating its recommended percentage increase. Additionally, in calculating the conversion factor included on page 18 of its filing the utility uses the wrong IURC fee percentage and, though it is a Sub-Chapter S corporation for the purpose of calculating income tax, includes adjustments for both state and federal taxes. The correct conversion factor is 101.5500% (See OUCC Schedule 1, Page 2).

D. Payroll Expense

In its filing Petitioner proposes to increase payroll expense by \$18,412 over the test year amount, or an increase of 51%. Aside from the CIAC adjustment discussed above this is the largest proposed *pro-forma* increase in the utility's rate case. The Utility employs two individuals, William and Barbara Garriott, the sole shareholders of Doe Creek Sewer Utility, Inc.

The OUCC issued its third data request asking for details of the duties and number of hours worked for the utility by Mr. and Mrs. Garriott. In its response Petitioner described a variety of duties the Garriott's perform on an ongoing basis including office management, customer service, billings and payment processing. Mr. Garriott is a licensed operator and oversees the operation of the plant on a daily basis. He is on call 24 hours a day and though the number of hours worked each week varies, at no time does he work less than 24 hours a week. The Garriott's have received only a 17% total increase in wages over the last 14 years. In light of Petitioner's representations regarding the salary adjustment, the OUCC does not find it to be unreasonable.

VI. System Development Charge

In its filing Petitioner provides calculations for a proposed new system development charge, apparently using the equity buy-in approach. In this calculation the utility plant in service net of depreciation as of the end of the test year (\$990,310) has been divided by the number of equivalent users (384) to derive a supported system development charge of \$2,579. Petitioner proposes to round this amount to \$2,500 for a single family residence system development charge with an equivalency factor of 1.0.

Under the equity buy-in approach, system development charges (SDC's) are designed based on the philosophy that new customers will be assessed a charge at the same equity position as existing customers. A key component in determining system equity method SDC's is determining system equity based on a utility's capital structure

In the present case, Petitioner has neglected to reduce the net utility plant in service by the un-amortized CIAC in the amount of \$444,291. Additionally, Petitioner has failed to reduce net utility plant by a shareholder loan in the amount of \$244,013 the proceeds of which have been used to add additional plant. Regardless as to whether this loan is classified as an equity infusion or shareholder loan (see discussion of cost of capital below) the proceeds were used to purchase utility plant, and that utility plant cannot be described as the result of an equity investment from existing customers. After reducing net utility plant in service by these amounts and dividing by the current number of customers, a system development charge of \$786 is appropriate.

VII. Cost of Capital

Overview

Doe Creek's proposed capital structure (44% debt, 56% equity) uses an 8.00% cost of debt and assumes an 11.57% cost of equity to justify a 10.0% cost of capital. In this case, Applicant's proposed net operating income is equivalent to only a 5.46% cost of capital.

Cost of Equity

Petitioner's proposed 11.57% cost of equity is excessive. OUCC is not proposing that it be reduced in part because Petitioner's requested 5.46% cost of capital is so much less than its capital structure could support. Further, it would not be cost effective or beneficial to the Doe Creek customers for the OUCC to perform a thorough cost of equity study in this case.

Cost of Debt

Applicant's long term debt is a loan from its shareholder made in incremental disbursements throughout 2003, 2004 and 2005. It appears that Doe Creek has acquired this debt in violation of I.C. 8-1-2-76, which prohibits public utilities from issuing "...notes or other evidences of indebtedness" for a period longer than 12 months unless the utility receives IURC approval. Doe Creek has not presented any evidence that it has received Commission authority to issue debt. If Petitioner wishes to classify these funds as debt, it should request Commission authority to do so, If Petitioner does not seek Commission authority to classify these funds as debt, its shareholder loans should be treated as equity and they should cease paying itself interest. Moreover, if the debt is reclassified as equity then Applicant's capital structure would consist of 100.0% equity (no debt). Because a capital structure that is 100.0% equity is less risky than one that

includes debt, the cost of equity would then need to be reduced by 50 – 100 basis points to account for the reduced risk.

Recommendation

Applicant has proposed a cost of capital of 5.46%. The OUCC accepts this proposal.

VIII. Utility Plant in Service

The Utility uses an original cost rate base of \$571,605, as compared to the OUCC's original cost rate base of \$563,304 (a difference of \$8,301) to compute its net revenue requirement. The reason for this difference is in the methodology of calculating required working capital, a component of original cost rate base.

As can be seen on OUCC's Schedule 6, working capital is calculated by deducting purchase water and purchased power from operation and maintenance expense. The adjusted amount is then multiplied by the 45 day factor (45 days divided by 365 days equals .125) to derive the amount of working capital to be included in rate base.

In its filing, the utility has incorrectly included depreciation expense, payroll taxes, utility receipts taxes and miscellaneous other taxes in its working capital computation. The correct working capital component of rate case is \$17,285. See OUCC Schedule 6.

IX. Wastewater Treatment Facilities And Operations

Treatment Plant: Petitioner's wastewater treatment plant and collection system serves approximately 384 customers residing in western Hancock County approximately four miles west of New Palestine on US 52. The plant uses a conventional return activated sludge (RAS) process with sludge digestion and disposal by way of landfill. The treatment plant is capable of processing 262,000 gallons per day (gpd) although it treats only about 104,000 gpd. In 2003, the Utility extended its building to house an additional 100,000 gallon per day aeration tank complete with controls and blower motors as well as sand filtration and ultraviolet disinfection.

When current real estate conditions reverse, it is reasonable to assume additional customer growth in the heavily wooded area of Petitioner CTA. Petitioner's excess capacity is reasonable when considering growth and occasional occurrences of I&I.

Collection System: Petitioner maintains National Pollutant Discharge Elimination (NPDES) Permit No IN0050148 which expires April 3, 2011. Sewage is conveyed via approximately 22 miles of 6, 8 and 10 inch PVC main. The system design is sanitary only. Some Inflow and Infiltration (I&I) occurs although is managed and controlled in Petitioner's surge tank originally used as treatment process tanks.

IDEM Compliance: No Sanitary Sewer Overflows (SSO's) have occurred in several years and Petitioner has for the most part been operating within its Permit criteria. A recent incident of solids bulking, discharge and correction has been noted in OUCC Attachment 1. The Utility's most recent DMR and MRO Reports, which may be regarded as representative, are included in OUCC Attachment 2 as well as its most recent IDEM inspection reports shown in OUCC Attachment 3.

Petitioner is capably operating its facilities and has effectively positioned itself to accept future growth.

X. Equivalent Dwelling Units

Doe Creek's existing flat-rate wastewater charges are based upon an Equivalent Dwelling Unit (EDU) of 10,000 gallons per month per single family dwelling unit. Non-single family residential customers are each charged either more or less than a single EDU as set forth in the tariff. While 10,000 gallons per month is high for a single family dwelling, this amount has been previously approved by the IURC. See OUCC Attachment 4, Doe Creek's 10/30/96 approved tariff. Petitioner proposes to continue to use the same EDU factors in this case. See application, page 10 "Schedule of Present And Proposed Rates", and also the proposed "Schedule of Rates And Charges", page 2, at the end of the application.

On or about February 13, 2009, OUCC received a letter on behalf of New Palestine Family Dentistry. See OUCC Attachment 5. The letter states that the company is a new Doe Creek customer and argues that the EDU factor (1.40 EDUs per chair) and the resultant \$74.63 monthly per chair charge is unreasonable and outdated. The letter argues that the office will likely use less water than the average single family residence (no laundry, no showers). It goes on to state that each chair, or operatory, has eliminated old fashioned cuspidors and wet vacuums and now has its own "closed water system" that uses approximately ½ gallon of water every two days. The letter also makes a reasonable argument pointing out that commercial laundromats are charged less per washer (1.3 EDUs) than the dentist is being charged per chair, and it seems unlikely that commercial washers use less than ½ gallon of water every two days.

In OUCC DR 1, Q4, OUCC asked Doe Creek to explain how the existing EDU factors were derived, if they had been modified and why Doe Creek believed the factors were still appropriate. Doe Creek responded only that it believed the EDU factors had not been amended since 1995, and that these were factors used by the Town of Fishers. Doe Creek was unable to provide any additional support for the continued use of these factors. While OUCC does not have the financial resources to fund a study to measure actual flows from each customer to determine the validity of the approved EDUs, and we have been provided no empirical evidence regarding water flows from modern dentist offices, New Palestine Family Dentistry's arguments are persuasive. OUCC recommends that if the Dentistry wishes to pursue a reduced EDU factor, they should consider installing a

water meter (at their cost). If several months (perhaps four?) of reliable water use data could be provided to Doe Creek demonstrating that the current 1.40 EDU per chair factor was unreasonable, OUCC would recommend that Doe Creek should be required to craft a more equitable EDU factor. This would seem to be an issue that could appropriately handled most efficiently and at very little cost to Doe Creek via the IURC's "30-day" filing process.

XI. Additional Public Comments

Additional comments received by the Public after the public field hearing are included as OUCC Attachment 6.

XII. Recommendations

Based on its review and analysis, the OUCC recommends that the Commission order the following:

1. Based on Doe Creek's current operating expenses, Doe Creek be authorized to increase its rates by 21.52% for a total monthly rate of \$48.00 for a single family residence.
2. Based on above analysis, Petitioner should be allowed to establish a system development charge in the amount of \$786 per connection.
3. Doe Creek should work with New Palestine Family Dentistry to determine whether or not the current 1.4 EDU per chair factor is reasonable and if not, to amend that EDU factor and submit it for commission approval.

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

**Comparison of Petitioner's and OUCC's
Revenue Requirements**

	<u>Per Petitioner</u>	<u>Per OUCC</u>	<u>Sch Ref</u>	<u>OUCC More (Less)</u>
Original Cost Rate Base	\$571,605	\$ 563,304	6	\$ (8,301)
Times: Weighted Cost of Capital	5.457%	5.46%	7	0
Net Operating Income Required for Return on Rate base	31,192	30,756		(436)
Less: Adjusted Net Operating income	(33,397)	(8,388)	4	25,009
Net Revenue Requirement	64,589	39,144		(25,445)
Gross Revenue Conversion Factor	Not Used	101.5500%	1	
Recommended Revenue Increase	<u>\$64,589</u>	<u>\$ 39,751</u>		<u>\$ (24,838)</u>
Recommended Percentage Increase	<u>34.96%</u>	<u>21.52%</u>		<u>-13.44%</u>

<u>Current Rate for Residential Customer</u>	<u>Proposed</u>		<u>OUCC More (Less)</u>
	<u>Petitioner</u>	<u>OUCC</u>	
Current Rate = \$39.50	\$53.31	\$48.00	\$ (5.31)

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Gross Revenue Conversion Factor

	Per Petitioner	Per OUCC	Sch Ref	Pro-forma Proposed Adjustments
	<u>Not Used</u>			
1 Gross revenue Change	100.0000%	100.0000%	4	\$ 39,751
2 Less: Bad Debt Rate	<u>0.0050%</u>	<u>0.0050%</u>	4	2
3 Sub-total	99.9950%	99.9950%		
4 Less: IURC Fee	<u>0.1100224%</u>	<u>0.1203993%</u>	4	48
5 Income Before State Income taxes	99.884978%	99.874601%		
6 Less: State Income Tax (8.5% of Line 5)	8.4902%	0.0000%		0
7 Utility Receipts Tax (1.4% of Line 3)	<u>1.3999%</u>	<u>1.3999%</u>	4	556
8 Income before Federal income Taxes	89.9949%	98.4747%		
9 Less: Federal income Tax (15% of Line 8)	<u>13.4992%</u>	<u>0.0000%</u>		-
10 Change in Operating Income	<u>76.4956%</u>	<u>98.4747%</u>		<u>\$ 39,145</u>
11 Gross Revenue Conversion Factor	<u>130.7265%</u>	<u>101.5500%</u>		

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Reconciliation of Net Operating Income Statement Adjustments
Pro-forma Present Rates

	<u>Per Petitioner</u>	<u>Per OUCC</u>	<u>Sch Ref</u>	<u>OUCC More (Less)</u>
Operating Revenues				
Sewer Revenues	\$ -	\$ -		\$ -
	-	-		-
Total Operating Revenues	<u>-</u>	<u>-</u>		<u>-</u>
O&M Expense				
Payroll Expense	18,412	18,412	6	-
Rate Case Expense	5,000	1,877	6	(3,123)
Depreciation Expense	-	-		-
Amortization Expense	20,594	-		(20,594)
Taxes Other than Income:				
Payroll Tax	1,408	1,408	6	-
Property Tax	-	-		-
Utility Receipts Tax	303	302	6	(0)
Total Operating Expenses	<u>45,717</u>	<u>21,999</u>		<u>(23,718)</u>
Net Operating Income	<u>\$ (45,717)</u>	<u>\$ (21,999)</u>		<u>\$ 23,718</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

COMPARATIVE BALANCE SHEET
As of December 31,

<u>ASSETS</u>	<u>2007</u>	<u>2006</u>
Utility Plant:		
Utility Plant in Service	\$ 1,668,673	\$ 1,641,623
Less: Accumulated Depreciation	<u>(678,363)</u>	<u>(636,384)</u>
Net Utility Plant in Service	<u>990,310</u>	<u>1,005,239</u>
 Current Assets:		
Cash and Cash Equivalents	1,577	14,810
Accounts Receivable	5,789	4,042
Prepays		2,741
Intangibles Accumulated Amortization	(1,277)	(1,231)
Employee Advances	<u>3,275</u>	
Total Current Assets	<u>9,364</u>	<u>20,362</u>
 Total Assets	<u><u>\$ 999,674</u></u>	<u><u>\$ 1,025,601</u></u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

COMPARATIVE BALANCE SHEET
As of December 31,

<u>LIABILITIES</u>	<u>2007</u>	<u>2006</u>
Equity		
Retained Earnings	\$ (19,334)	\$ (9,769)
Paid in Capital	330,000	330,000
Total Equity	<u>310,666</u>	<u>320,231</u>
Contributions in Aid of Construction	838,611	838,611
Amortization of CIAC	<u>394,320</u>	<u>373,354</u>
Net Contributions in Aid of Construction	<u>444,291</u>	<u>465,257</u>
Long-term Debt		
Shareholders Loan	<u>244,013</u>	<u>239,013</u>
Total Long-term Debt	<u>244,013</u>	<u>239,013</u>
Current Liabilities		
Accrued Taxes	<u>704</u>	<u>1,100</u>
Other Current Liabilities	<u>704</u>	<u>1,100</u>
Total Liabilities	<u>\$ 999,674</u>	<u>\$ 1,025,601</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

COMPARATIVE INCOME STATEMENT
Twelve Months Ended December 31,

	<u>2007</u>	<u>2006</u>
Operating Revenues		
Sewer Revenues	\$ 184,751	\$ 183,430
Total Operating Revenues	<u>184,751</u>	<u>183,430</u>
Operating Expenses		
Salaries and Wages - Employees	16,500	18,000
Salaries and Wages - Officers & Directors	19,525	21,300
Sludge Removal Expense	18,804	13,213
Purchase Power	13,459	14,331
Chemicals	876	
Materials and Supplies	1,080	3,025
Contractual Services	25,300	32,800
Insurance	2,741	2,454
Miscellaneous Expense	<u>33,169</u>	<u>29,662</u>
Total O&M Expense	131,454	134,785
Depreciation Expense	41,654	41,979
Amortization Expense	(20,594)	(21,245)
Taxes Other than Income:		
Payroll Tax	2,186	3,368
Property Tax	12,330	9,966
Utility Receipts Tax	2,284	4,908
Other Taxes and Licenses	<u>1,825</u>	<u>1,050</u>
Total Operating Expenses	<u>171,140</u>	<u>174,812</u>
Net Operating Income	13,611	8,618
Other Income (Expense)		
Other Income Tap Fees	200	
Interest Expense	<u>(23,376)</u>	<u>(25,227)</u>
Total Other Income (Expense)	<u>(23,176)</u>	<u>(25,227)</u>
Net Income	<u>\$ (9,565)</u>	<u>\$ (16,609)</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Pro-forma Net Operating Income Statement

	Year Ended 12/31/2007	Adjustments	Sch Ref	Pro-forma Present Rates	Adjustments	Sch Ref	Pro-Forma Proposed Rates
Operating Revenues							
Sewer Revenues	\$ 184,751			\$ 184,751	\$ 39,751	1	\$ 224,502
Total Operating Revenues	<u>184,751</u>	<u>-</u>		<u>184,751</u>	<u>39,751</u>		<u>224,502</u>
O&M Expense	131,454			151,743			151,793
Payroll Expense		18,412	5-1				
Rate Case Expense		1,877	5-2				
IURC Fee					48	1	
Bad Debt Expense					2	1	
Depreciation Expense	41,654			41,654			41,654
Amortization Expense	(20,594)	-		(20,594)			(20,594)
Taxes Other than Income:							
Payroll Tax	2,186	1,408	5-3	3,595			3,595
Property Tax	12,330			12,330			12,330
Utility Receipts Tax	2,284	302	5-4	2,587	556	1	3,143
Other Taxes & Licenses	1,825			1,825			1,825
Total Operating Expenses	<u>171,140</u>	<u>21,999</u>		<u>193,139</u>	<u>606</u>		<u>193,745</u>
Net Operating Income	<u>\$ 13,611</u>	<u>\$ (21,999)</u>		<u>\$ (8,388)</u>	<u>\$ 39,145</u>		<u>\$ 30,757</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Expense Adjustments

(1)

Payroll Expense

To adjust operating expenses to reflect an increase in payroll expense for salaried personnel.

	Employee	Officer & Directors	Total
Proposed Salary	\$24,933	\$29,504	\$54,437
Test Year Salary	<u>16,500</u>	<u>19,525</u>	<u>36,025</u>
Difference	<u>\$8,433</u>	<u>\$9,979</u>	
Adjustment Increase (Decrease)			<u>\$18,412</u>

(2)

Rate Case Expense

To adjust operating expenses to reflect the cost of this rate case.

<u>Estimated Rate Case Costs</u>	
Legal Fees	\$1,404
Accounting Fees	15,000
Total Rate Case Cost	16,404
Amortize over 5 years	<u>5</u>
	3,281
Annual Expense	
Less: Test Year Expense	(1,404)
Adjustment Increase (Decrease)	<u>\$1,877</u>

(3)

F.I.C.A. Tax Expense

To adjust operating expenses to reflect *pro-forma* F.I.C.A. Taxes.

Pro-forma Taxable Salaries and Wages	\$54,437
Times: Tax Rate	<u>7.65%</u>
Pro-forma F.I.C.A. Tax	4,164
Less: Test Year Expense	<u>(2,756)</u>
Adjustment Increase (Decrease)	<u>\$1,408</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

(4)

Indiana Utility Receipts Tax

To adjust operating expenses to reflect *pro-forma* utility receipts tax at present rates.

Operating Revenues - Present Rates	\$184,751
Times: Utility Receipts Tax Rate	<u>1.40%</u>
<i>Pro-forma</i> Utility Receipts Tax	2,587
Less: Test Year Expense	<u>2,284</u>
Adjustment Increase (Decrease)	<u>\$302</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Calculation of Rate Base

		Per Petitioner	Per OUCC	OUCC More (Less)
Utility Plant in Service at	12/31/07	\$1,668,673	\$1,668,673	\$0
Add: Description of Project				0
				0
				0
Gross Utility Plant in Service		<u>1,668,673</u>	<u>1,668,673</u>	<u>0</u>
Less: Accumulated Depreciation		678,363	678,363	0
Contributions in Aid of Construction		838,611	838,611	0
Add: Amortization of CIAC		<u>394,320</u>	<u>394,320</u>	<u>0</u>
Net Utility Plant in Service		546,019	546,019	0
Add: Materials & Supplies		0	0	0
Working Capital (see below)		25,586	17,285	(8,301)
				0
Total Original Cost Rate Base		<u><u>\$571,605</u></u>	<u><u>\$563,304</u></u>	<u><u>(\$8,301)</u></u>

Working Capital Calculation

Operation & Maintenance Expense	\$218,148	\$151,743	(\$66,405)
Less: Purchased Water	0	0	0
Purchased Power	<u>13,459</u>	<u>13,459</u>	<u>0</u>
Adjusted Operation & Maintenance Expense	204,689	138,284	(66,405)
Times: 45 Day Factor	<u>0.125</u>	<u>0.125</u>	
Working Capital Requirement	<u><u>\$25,586</u></u>	<u><u>\$17,285</u></u>	<u><u>(\$8,301)</u></u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

***Pro forma* Capital Structure**
As of December 31, 2007

	<u>Amount</u>	<u>Percent of Total</u>	<u>Cost</u>	<u>Weighted Cost</u>
Common Equity	\$ 310,666	56.01%	11.57%	6.48%
Shareholder Loans	244,013	43.99%	8.00%	3.52%
Total	<u>\$ 554,679</u>	<u>100.00%</u>		<u>10.00%</u>
Requested Rate of Return				<u>5.46%</u>

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Current and Proposed Rates and Charges

		<u>Current</u>	<u>Petitioner Proposed</u>	<u>OUCC Proposed</u>
Measured Rates per Month				
Per 1,000 Gallons		\$3.95	\$5.33	\$4.80
Minimum Rates Per Month				
Per EDU (10,000 Gallons Per EDU)		\$39.50	\$53.31	\$48.00
	Equivalency Factor (EDU)			
Type of Service				
Single Family Residence	1.0	\$39.50	\$53.31	\$48.00
Two Family Residence	1.8	\$71.10	\$95.96	\$86.40
Multi-family & Apartments - Per Unit	0.7	\$27.65	\$37.32	\$33.60
Mobile Homes & Parks - Per Unit	0.8	\$31.60	\$42.65	\$38.40
Motels & Hotels - Per Unit	0.4	\$15.80	\$21.32	\$19.20
Service Clubs & Churches - Per 200 Members or Fraction Thereof				
With Kitchen:	1.0	\$39.50	\$53.31	\$48.00
Without Kitchen:	2.0	\$79.00	\$106.62	\$96.00
Office Use - Per 1,000 Square Feet	0.5	\$19.75	\$26.65	\$24.00
Health Service Office - Per Exam Room	0.6	\$23.70	\$31.99	\$28.80
Person Care - Per Chair	0.4	\$15.80	\$21.32	\$19.20
Restaurant - Per Seat	0.1	\$3.95	\$5.33	\$4.80
Food Drive in - Per Car Space:	0.2	\$7.90	\$10.66	\$9.60
Fast Food Per Employee:	0.2	\$7.90	\$10.66	\$9.60
Food and Drug Retail Service Per Emp.	0.2	\$7.90	\$10.66	\$9.60
Laundry - Per Washer	1.3	\$51.35	\$69.30	\$62.40
Car Wash - Per Day	2.0	\$79.00	\$106.62	\$96.00
Service Station	1.5	\$59.25	\$79.96	\$72.00
Retail Sales & Service - Each 3 Employees or Fraction Thereof	1.0	\$39.50	\$53.31	\$48.00
Manufacturing - Per 8 Employee - Sanitary Use Only	1.0	\$39.50	\$53.31	\$48.00
Manufacturing Other - As Determined by DCSU				
Warehouses - Per 40,000 Square Feet	1.0	\$39.50	\$53.31	\$48.00
Bars & Cocktail Lounges - Per Seat - Without Restaur.	0.1	\$1.98	\$2.67	\$2.41
Bowling Alley - Per Alley	0.4	\$15.80	\$21.32	\$19.20
Bowling Alley with Bar - Per Alley	2.0	\$79.00	\$106.62	\$96.00
Dentist Office - Per Chair	1.4	\$55.30	\$74.63	\$67.20
Physicians' Office - Per Examining Room	0.6	\$23.70	\$31.99	\$28.80
Schools with Gym & Cafeteria - Per Student	0.1	\$2.37	\$3.20	\$2.88
Speculative Commercial/Industrial - Per Acre	0.0	\$1.58	\$2.13	\$1.92
Other Charges				
Connection Charge		\$200.00	\$200.00	\$200.00
System Development Charge		\$0.00	\$2,500.00	\$786.47

DOE CREEK SEWER UTILITY, INC.
CAUSE NUMBER 43530-U

Calculation of System Development Charge

Net Utility Plant in Service @ 12/31/07	\$1,668,673
Less: Accumulated Depreciation	(678,363)
Net CIAC	(444,291)
Loan From Shareholder	(244,013)
Plant Equity Subject to Charge	302,006
Number of Equivalent Users	<u>384</u>
System Development Charge	<u><u>\$786</u></u>

<u>Type of Service</u>	Equivalency		<u>OUCC</u>
	Factor (EDU)	Petitioner Proposed	
Single Family Residence	1.0	\$2,500	\$786
Two Family Residence	1.8	\$4,500	\$1,416
Multi-family & Apartments - Per Unit	0.7	\$1,750	\$551
Mobile Homes & Parks - Per Unit	0.8	\$2,000	\$629
Motels & Hotels - Per Unit	0.4	\$1,000	\$315
Service Clubs & Churches - Per 200 Members or Fraction			
With Kitchen:	1.0	\$2,500	\$786
Without Kitchen:	2.0	\$5,000	\$1,573
Office Use - Per 1,000 Square Feet	0.5	\$1,250	\$393
Health Service Office - Per Exam Room	0.6	\$1,500	\$472
Person Care - Per Chair	0.4	\$1,000	\$315
Restaurant - Per Seat	0.1	\$250	\$79
Food Drive in - Per Car Space:	0.2	\$500	\$157
Fast Food Per Employee:	0.2	\$500	\$157
Food and Drug Retail Service Per Emp.	0.2	\$500	\$157
Laundry - Per Washer	1.3	\$3,250	\$1,022
Car Wash - Per Day	2.0	\$5,000	\$1,573
Service Station	1.5	\$3,750	\$1,180
Retail Sales & Service - Each 3 Employees or Fraction Thereof	1.0	\$2,500	\$786
Manufacturing - Per 8 Employee - Sanitary Use Only	1.0	\$2,500	\$786
Manufacturing Other - As Determined by DCSU			
Warehouses - Per 40,000 Square Feet	1.0	\$2,500	\$786
Bars & Cocktail Lounges - Per Seat - Without Restaur.	0.1	\$125	\$39
Bowling Alley - Per Alley	0.4	\$1,000	\$315
Bowling Alley with Bar - Per Alley	2.0	\$5,000	\$1,573
Dentist Office - Per Chair	1.4	\$3,500	\$1,101
Physicians' Office - Per Examining Room	0.6	\$1,500	\$472
Schools with Gym & Cafeteria - Per Student	0.1	\$150	\$47
Speculative Commercial/Industrial - Per Acr	0.0	\$100	\$31



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

September 22, 2008

RAP ATTACHMENT 1

CAUSE NO. 43530-JJ

PAGE 1 OF 5

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
Toll Free (800) 451-6027
www.idem.IN.gov

VIA CERTIFIED MAIL

7002 0510 0002 7966 1932

Mr. William Garriott, President
Doe Creek Sewer Utility, Inc.
P.O. Box 29178
Cumberland, Indiana 46229

Re: **Inspection Summary/Violation Letter**
Doe Creek Sewer Utility Wastewater Treatment
Facility
NPDES Permit No. IN0050148
New Palestine, Hancock County

Dear Mr. Garriott:

On September 4, 2008, a representative of the Indiana Department of Environmental Management, Office of Water Quality, conducted an inspection of the Doe Creek Sewer Utility Wastewater Treatment Facility, located in New Palestine, Indiana. This inspection was conducted pursuant to IC 13-14-2-2. For your information, and in accordance with IC 13-14-5, a summary of the inspection is provided below:

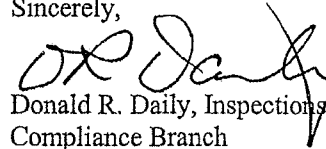
Type of Inspection: Reconnaissance Inspection

Results of Inspection: ☐ Violations were observed but corrected during the inspection.
☒ Violations were observed.
☐ Violations were observed and will be referred to the Office of Enforcement.

The Receiving Waters Appearance area of the NPDES Facility Notice of Inspection (copy enclosed) was rated unsatisfactory due to solids noted in the receiving stream below outfall 001. The facility appeared to be operating efficiently, tertiary sand filters were online and operating, and effluent was clean and clear at the time of the inspection; however there was a visible layer of solids on the bottom of the receiving stream that had washed out of the facility some time before. Part I. A. 2. of the NPDES Permit details that the discharge from the facility shall not cause receiving waters to contain objectionable deposits.

Within thirty (30) days of receipt of this letter, a written detailed response documenting correction of each of the violations listed above and/or a plan for assuring future compliance must be submitted to this office. Failure to respond adequately to this letter may result in a referral to IDEM's Office of Enforcement. Please direct your response to this letter to the attention of Andy Schmidt. Any questions regarding this matter should be directed to Andy Schmidt at (317) 233-2477 or by email to atschmid@idem.IN.gov. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "DR Daily", is written over the typed name.

Donald R. Daily, Inspections Section Chief
Compliance Branch
Office of Water Quality

Enclosure

**NPDES FACILITY NOTICE OF INSPECTION**

State Form 47989 (R6 / 5-06)

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

RAP ATTACHMENT 1

CAUSE NO. 43530-U

PAGE 3 OF 5

Facility and Inspection Information			
NPDES Permit #: IN0050148	Facility Type Code: <input type="checkbox"/> 1 = Municipality <input type="checkbox"/> 3 = Agricultural <input checked="" type="checkbox"/> 2 = Industry/Semi-Public <input type="checkbox"/> 4 = State/Federal	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Classification Per Permit: I
This is to notify you that on <u>September 4, 2008</u> (month, day, year), an inspection of the specified facility was conducted by the undersigned representative of the Indiana Department of Environmental Management, Office of Water Quality.			
TYPE OF INSPECTION (may include more than one): <input type="checkbox"/> Compliance Evaluation Inspection (C) <input checked="" type="checkbox"/> Reconnaissance Inspection (R) <input type="checkbox"/> Industrial User Inspection (I) <input type="checkbox"/> Sanitary Sewer Overflow Inspection (V)		<input type="checkbox"/> Complaint (J) <input type="checkbox"/> Multi-media Screening Evaluation (M) <input type="checkbox"/> Combined Sewer Overflow Inspection (Y) <input type="checkbox"/> Compliance Sampling Inspection (S) <input type="checkbox"/> Other =	
Name and Location of Facility Inspected: (number, street, city, zip code) Doe Creek Sewer Utility US 52 and CR 700 W Cumberland County: Hancock		Receiving Waters/POTW: Doe Creek	Permit Expiration Date: April 30, 2011
Name(s) of On-Site Representatives: Bill Garriott		Title(s): President	Phone: 317-894-3158 Fax:
Certified Operator: Bill Garriott	Number: 10366 Renewal Effective Date: July 1, 2007	Class: I Expiration Date: June 30, 2009	Full Time: <input type="checkbox"/> Part Time: <input checked="" type="checkbox"/> Hours per Week: 20
Name and Address of Responsible Official: (number, street, city, zip code) Bill Garriott P.O. Box 29178 Cumberland, Indiana 46229		Title: Owner Contacted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Phone: 317-894-3158 Fax: Facility Design Flow: .200 MGD
Areas Evaluated During Inspection (S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated, NA = Not Applicable)			
<input type="checkbox"/> U Receiving Waters Appearance	<input type="checkbox"/> S Facility/Site	<input type="checkbox"/> N Self-Monitoring Program	<input type="checkbox"/> NA Compliance Schedules
<input type="checkbox"/> S Effluent Appearance	<input type="checkbox"/> N Operation	<input type="checkbox"/> N Flow Measurement	<input type="checkbox"/> N Pretreatment
<input type="checkbox"/> S Permit	<input type="checkbox"/> N Maintenance	<input type="checkbox"/> N Laboratory	<input type="checkbox"/> N Effluent Limits Violations
<input type="checkbox"/> N CSO/SSO (Sewer Overflow)	<input type="checkbox"/> N Sludge Disposal	<input type="checkbox"/> N Records/Reports	<input type="checkbox"/> N Other:
Preliminary Inspection/Screening Findings* *These findings are considered preliminary and identify specific compliance issues discovered during the above-noted inspection that the designated agent of IDEM believes may be a violation of a statute(s), rule(s) or permit(s) issued by IDEM.			
SINGLE MEDIA INSPECTION: <input type="checkbox"/> No violations were discovered with respect to the particular items observed during the inspection. (5) <input type="checkbox"/> Violations were discovered but corrected during the inspection. (4) <input checked="" type="checkbox"/> Violations were discovered and require a submittal from you and/or follow-up inspection by IDEM. (2) <input type="checkbox"/> Violations were discovered and may subject you to an appropriate enforcement response. (1) <input type="checkbox"/> Additional information/review is required to evaluate overall compliance. (6) <input type="checkbox"/> Potential problems were discovered or observed. (3)			
Comments Regarding Ratings -- Including Rule or Permit Citation(s): Receiving Waters Appearance - Unsatisfactory due to solids noted in the receiving stream below outfall 001. The facility appeared to be operating efficiently, tertiary sand filters were online and operating, and effluent was clean and clear at the time of the inspection; however there was a visible layer of solids on the bottom of the receiving stream that had washed out of the facility some time before. Part I. A. 2. of the NPDES Permit details that the discharge from the facility shall not cause receiving waters to contain objectionable deposits.			

Multi-Media Screening (please note that a multi-media screening is not a comprehensive evaluation of the compliance status of the facility):

- ☒ Multi-media screening not conducted.
- ☐ No violations were observed during the limited multi-media screening conducted by IDEM.
- ☐ Potential violations were discovered but corrected during the inspection.
- ☐ Potential problems were discovered and may be further investigated.

Pollution Prevention

Pollution prevention is the preferred means of environmental protection in Indiana. The goal of pollution prevention is to promote changes in business and commercial operation, especially manufacturing processes, so that Indiana businesses increase productivity, generate less environmental wastes, reduce their regulatory responsibilities and become more profitable. Your participation in Indiana's pollution prevention program is entirely voluntary. If you have any pollution prevention questions, you may contact our Office of Pollution Prevention and Technical Assistance (OPPTA) at (317) 232-8172 or (800) 988-7901, or visit OPPTA's Web site at www.idem.IN.gov/oppta/p2/. Would your company like to be contacted by IDEM's Office of Pollution Prevention and Technical Assistance?

☐ Yes ☒ No

Compliance Assistance

In addition to the compliance assistance offered by IDEM's individual programs, IDEM's Compliance and Technical Assistance Program (CTAP) offers free, confidential compliance assistance to regulated entities, including small businesses and municipalities, throughout Indiana. In the future, if you would like to request free, confidential compliance assistance, call (317) 232-8172 or (800) 988-7901, or visit CTAP's Web site at <http://www.idem.IN.gov/ctap/>.

Summary and Correction Information

A summary of violations and concerns noted during the inspection was verbally communicated to the undersigned representative during the inspection. The facility should correct any violations noted as soon as possible. Violations identified and corrected during the inspection may still be cited as violations.

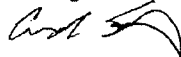
- ☒ A written inspection summary will be provided within 45 days.
In accordance with IC 13-14-5-4, matters not evident to IDEM at the time of the inspection might not be included in either the verbal or written inspection summary.
- ☐ Written report provided at the conclusion of the inspection.
If upon subsequent review, any changes to this report are deemed necessary, a revised report will be sent to the subject facility within 45 days.

IDEM Representative:

Printed Name:

Andy Schmidt

Signature:



Phone Number:

317-233-2477

Date:

9/4/2008

Time

In: 2:05pm

Out: 3:15pm

Owner/Agent Representative/Title:

Printed Name:

Signature:

Title:

Phone Number:

Date:

For IDEM Internal Use:

Section Chief or Regional Deputy Director:

Date:

For:

☐ Follow-up
☐ NPDES Permits

☐ Enforcement
☐ Other



DOE CREEK SEWER UTILITY, INC.

P.O. BOX 29178
CUMBERLAND, INDIANA 46229-0178
PHONE (317) 861-8313

RAP ATTACHMENT 1

CAUSE NO. 43530-U

PAGE 5 OF 5

10/3/08

Mr. Andy Schmidt
Office of Water Quality
IDEM
100 N. Senate Ave., Rm. No. 13
Indianapolis, IN 46204-2273

RE: Inspection Summary/Violation Letter
Doe Creek Sewer Utility, Inc.
NPDES Permit No. IN0050148
New Palestine, Hancock County

Dear Mr. Schmidt:

This is in reference to the inspection letter dated
September 22, 2008.

During the month of August, there was a problem with
flocking in Tank #2. To rectify the problem, we managed
to retain most of the flocking through the sand filters
and sand filter mud well. Also, by keeping the flock
that settled in the flow meter trough pumped back to
the headworks.

The flocking problem mostly occurred around 12:00PM
and 1:00AM when the sewage flow peaked.

All aerators in Tank #2 have been cleaned or replaced, the
RAS flow has been increased, and the time clock has been
reset to increase the blower air flow.

Over the past month the above apparently has worked to
rectify the problem.

DOE CREEK SEWER UTILITY, INC.

William L. Garriott, President/Owner

NAME DOE CREEK SEWER UTILITY
ADDRESS 320 HIDDEN VALLEY CT

ATTN: WILLIAM L. GARRIOT

Form Approved
OMB No. 2040-004
Approval Expires 05-31-98

MONITORING PERIOD

FROM	10/01/08	TO	10/31/08
------	----------	----	----------

* I N 0 0 5 0 1 4 8 0 0 1 A 1 0 2 0 0 8

For any questions call Dan Knowles at 317-232-0019

*** Mark box if NO DISCHARGE ***

NOTE: Read Instructions before completing this form

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				NO. EX	Frequency of Analysis	Sample Type
		Average	Maximum	Units	Minimum	Average	Maximum	Units			
Oxygen, dissolved (DO) 00300 1 1 0 Effluent Gross	SAMPLE MEASUREMENT	*****	*****		2.84	*****	*****	mg/L	Ø	2/3/1	grab
	PERMIT REQUIREMENT				6					Five Per Week	GRAB-3
					DEYAVMIN						
pH 00400 1 0 0 Effluent Gross	SAMPLE MEASUREMENT	*****	*****		4.1	*****	5.15	SU	Ø	3/3/1	grab
	PERMIT REQUIREMENT				6		9			Five Per Week	GRAB
					DAILY MN		DAILY MX				
Solids, total suspended 00530 1 1 0 Effluent Gross	SAMPLE MEASUREMENT	2.94	< 2.93	lb/d	*****	< 11.22	< 5.0	mg/L	Ø	2/3/1	comp
	PERMIT REQUIREMENT	30	45.1			18	27			Twice Every Week	COMP24
		MO AVG	MX WK AV			MO AVG	MX WK AV				
Nitrogen, ammonia total (as N) 00610 1 1 0 Effluent Gross	SAMPLE MEASUREMENT	1.23	8.95	lb/d	*****	< 0.56	0.78	mg/L	Ø	2/3/1	comp
	PERMIT REQUIREMENT	2.5	3.8			1.5	2.3			Twice Every Week	COMP24
		MO AVG	MX WK AV			MO AVG	MX WK AV				
Flow, in conduit or thru treatment plant 50050 1 0 0 Effluent Gross	SAMPLE MEASUREMENT	0.07	.07	Mgal/d	*****	*****	*****		Ø	3/3/1	total
	PERMIT REQUIREMENT	Report	Report							Five Per Week	TOTALZ
		MO AVG	MX WK AV								
Chlorine, total residual 50060 1 0 0 Effluent Gross	SAMPLE MEASUREMENT	*****	*****		*****	*	*	mg/L	Ø	Ø	
	PERMIT REQUIREMENT					.06	.06			Daily When Discharging	GRAB
						MO AVG	DAILY MX				
E. coli, colony forming units (CFU) 51041 1 0 0 Effluent Gross	SAMPLE MEASUREMENT	*****	*****		*****	29	130	CFU/10 0mL	Ø	3/3/1	grab
	PERMIT REQUIREMENT					125	235			Twice Every Week	GRAB
						MO GEO	DAILY MX				

I certify, under penalty of law, that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment for knowing violations.

NAME AND TITLE OF PRINCIPAL EXECUTIVE OFFICER OR
AUTHORIZED AGENT

TELEPHONE

DATE _____

TYPED OR PRINTED

SIGNATURE

AREA CODE AND NO.

MO DAY YEAR

COMMENTS AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

FLOW METER(S) SHALL BE CALIBRATED AT LEAST ONCE ANNUALLY.

CAUSE NO. 4330-U
 DATE 7/22/98
 DAY 22
 MONTH 7
 YEAR 1998

PERMITTEE NAME/ADDRESS

NAME DOE CREEK SEWER UTILITY

ADDRESS 320 HIDDEN VALLEY CT

MORRISTOWN

IN 46161-964

FACILITY DOE CREEK SEWER UTILITY

LOCATION NEW PALESTINE IN

ATTN: WILLIAM L. GARRIOT

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)
DISCHARGE MONITORING REPORT (DMR)Revised: ☐

IN0050148

001 A

PERMIT NUMBER PERMITTED FEATURE

MONITORING PERIOD

MO DAY YEAR

MO DAY YEAR

FROM 10/01/08

TO 10/31/08

Form Approved

OMB No. 2040-004

Approval Expires 05-31-98



* I N 0 0 5 0 1 4 8 0 0 1 A 1 0 2 0 0 8 *

For any questions call Dan Knowles at 317-232-0019

*** Mark box if NO DISCHARGE ☐ ***

NOTE: Read instructions before completing this form

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				NO. EX	Frequency of Analysis	Sample Type
		Average	Maximum	Units	Minimum	Average	Maximum	Units			
BOD, carbonaceous, 05 day, 20 C	SAMPLE MEASUREMENT	< 1.01	< 1.23	lb/d	*****	< 2.03	< 2.15	mg/L	f	8/31	COMP
80082 1 1 0	PERMIT REQUIREMENT	25	38.4			15	23			Twice Every Week	COMP24
Effluent Gross		MO AVG	MX WK AV			MO AVG	MX WK AV				
Flow, total	SAMPLE MEASUREMENT	*****	2.117	Mgal/mo	*****	*****	*****		b	3/31	RCOTOT
82220 1 0 0	PERMIT REQUIREMENT		Report							Monthly	RCOTOT
Effluent Gross			MO TOTAL								

I certify, under penalty of law, that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment for knowing violations.

NAME AND TITLE OF PRINCIPAL EXECUTIVE OFFICER OR
AUTHORIZED AGENT

TELEPHONE

DATE

TYPED OR PRINTED

SIGNATURE

AREA CODE AND NO.

MO

DAY YEAR

COMMENTS AND EXPLANATION OF ANY VIOLATIONS

(Reference all attachments here)

FLOW METER(S) SHALL BE CALIBRATED AT LEAST ONCE ANNUALLY
SEMI PUBLIC HANCOCK COUNTY

Long Term Operations and Training

Monthly Report of Operation
Activated Sludge Type
Wastewater Treatment Plant

Name of Facility <i>Lee Creek Sewer / Utility</i>		Permit Number <i>0050118</i>	
Month <i>Oct.</i>	Year <i>08</i>	Plant Design Flow <i>1.1</i>	Page Number <i>5 OF 7</i>
Facility's e-mail address (if available):			
Certified Operator: Name <i>William L. Shriott</i>	Class <i>I</i>	Certificate Number <i>10366</i>	Expiration Date <i>6-09</i>

Substitute for State Form 10829 (R/12-2005)
Page 1 of 4

Day Of Month	Day of Week	Man-Hours at Plant (Plants less than 1 MGD only)	Temperature (Optional)	Precipitation - inches	Bypass At Plant Site ("x" if Occurred)	Collection System Overflow ("x" if Occurred)	CHEMICALS USED			Influent Flow Rate (MGD)	pH	CBOD5 mg/l	CBOD5 lbs (Optional)	SUSP. SOLIDS mg/l	SUSP. SOLIDS lbs (Optional)	Phosphorus - mg/l	Ammonia mg/l	Total Solids mg/l
							Chlorine - Lbs	Lbs/Day or Gal/Day	Lbs/Day or Gal/Day									
1	Thu	8		1/16						4.1	7.4	140	73.56	94	49.39	31	16.29	
2	Fri	8								4.4	7.4							
3	Fri	8								4.2	7.4							
4	Sat	4								8	7.4							
5	Sat	4								8	7.4							
6	Mon	6		1/2						4.1	7.4	130	76.98	84	49.74	31	18.36	
7	Tue	6								4.50	7.4							
8	Wed	8								4.3	7.4							
9	Thu	8								4	7.4	130	74.81	55	31.65	22	12.66	
10	Fri	8								4	7.4							
11	Sat	4								8	7.4							
12	Sun	4								8	7.4							
13	Mon	6								5.0	7.4	150	85.07	66	44.03	7.45	4.22	
14	Tue	8								5.1	7.4							
15	Wed	8								4.97	7.4							
16	Thu	8								4.2	7.4	130	70.05	84	46.94	38	21.33	
17	Fri	8								5.3	7.4							
18	Sat	4								8	7.4							
19	Sat	4								8	7.4							
20	Mon	8								5.2	7.4	140	86.40	150	92.59	32	19.75	
21	Tue	6								5.3	7.4							
22	Wed	6								5.2	7.4							
23	Thu	8								5.1	7.4	170	77.98	100	45.87	2.8	12.84	
24	Fri	6		1"						8	7.4							
25	Sat	4								8	7.4							
26	Sat	4								5.1	7.4							
27	Mon	8								5.2	7.4	140	94.25	61	43.24	33	23.39	
28	Tue	8								5.15	7.4							
29	Wed	8								5.12	7.4							
30	Thu	8								5.04	7.4	140	66.55	93	44.21	7.77	36.94	
31	Fri	6																
Average		6.64										140	79.03	81.44	49.74	8.58	18.41	
Maximum		8		1						5.15	7.4	140	94.25	150	92.59	38	21.33	
Minimum		4		1/16						4.1	7.4	120	66.55	55	31.65	2.2	12.66	
No. of Data		31	V	3			V	V		V	31	8	9	9	9	V	9	9

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

William L. Shriott 11-22-08
(SIGNATURE OF CERTIFIED OPERATOR) (DATE)

William L. Shriott 11-22-08
(SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT) (DATE)

CAUSE NO. 43530-U

PAGE 4 OF 10

Monthly Report of Operation

Activated Sludge Type

Wastewater Treatment Plant

Name of Facility POECREEK Permit Number IN For Month Of: 08
Sewer/Utility 0050148

Page 2 of 4 Substitute for State Form 10829 (R/12-2005)

William L. Gerratt 11-22-08
 (SIGNATURE OF CERTIFIED OPERATOR) (DATE)

William L. Gerratt 11-22-08
 (SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT) (DATE)

PRIMARY EFFLUENT		AERATION							SECONDARY EFFLUENT		FINAL EFFLUENT						
Day Of Month	CBOD5 - mg/l	Susp. Solids - mg/l	Settleable Solids % in 30 minutes	MIXED LIQUOR			RETURN SLUDGE		CBOD5 - mg/l	Susp. Solids - mg/l	Residual Chlorine - Contact Tank	Residual Chlorine - Final	E. Coli - colony/100 ml	pH	Dissolved Oxygen - mg/l	Phosphorus - mg/l	
				Susp. Solids - mg/l	Sludge Vol. Index - ml/gm	Dissolved Oxygen - mg/l	Temperature - F	Volume - MG									Susp. Solids - mg/l
Wed 1	↑	↑	800		↑	6.21	23.9	↑	↑	↑	↑	↑		4.1	8.20	↑	
Thu 2	↑	↑	700	2300		4.22	20.3	↑	↑	↑	↑	↑		4.4	2.84	↑	
Fri 3	↑	↑	0			5.20	19.8						<10	4.2	4.42		
Sat 4	↑	↑	0			0	0							0	0		
Sun 5	↑	↑	0			0	0							0	0		
Mon 6	↑	↑	700			6.84	19.7							4.1	2.90		
Tue 7	↑	↑	500			4.5	19.8						40	4.50	3.60		
Wed 8	↑	↑	700			2.22	20.9							4.3	8.74		
Thu 9	↑	↑	750	2600		1.2	20.8							0	8.85		
Fri 10	↑	↑	700			2.18	20.9						10	0	0		
Sat 11	↑	↑	0			0	0							0	0		
Sun 12	↑	↑	0			0	0							0	0		
Mon 13	↑	↑	650			1.96	21.0							5.0	8.77		
Tue 14	↑	↑	700			1.88	21.0						<10	5.1	8.60		
Wed 15	↑	↑	500			2.10	21.4							4.97	8.60		
Thu 16	↑	↑	600	2100		2.33	21.2							4.20	9.50		
Fri 17	↑	↑	550			2.22	21.0						<10	5.3	4.66		
Sat 18	↑	↑	0			0	0							0	0		
Sun 19	↑	↑	0			0	0							0	0		
Mon 20	↑	↑	600			1.66	18.9							5.2	9.16		
Tue 21	↑	↑	600			4.87	18.7						30	5.3	9.22		
Wed 22	↑	↑	580			4.77	18.2							5.2	8.80		
Thu 23	↑	↑	0	2600		3.79	18.0							5.1	9.52		
Fri 24	↑	↑	600			1.12	18.8						130	0	9.24		
Sat 25	↑	↑	0			0	0							0	0		
Sun 26	↑	↑	0			0	0							5.1	0		
Mon 27	↑	↑	620			5.38	17.9							5.12	9.37		
Tue 28	↑	↑	690			0	0						50	5.15	8.66		
Wed 29	↑	↑	600			2.27	17.4							5.12	9.64		
Thu 30	↑	↑	600	2500		2.36	17.6							5.04	9.62		
Fri 31	↑	↑	680			8.02	17.5						<10		8.77		
Avg.			639.6	2540		3.57	19.92						433.33		7.80		
Max.			800	220		8.02	23.9						130	5.15	9.50		
Min.			500	2300		1.84	17.4						<10	4.1	2.84		
Data	✓	✓	21	5	✓	22	22	✓	✓	✓	✓	✓	✓	21	22	✓	

Comments for the Month (major repairs, breakdowns, process upsets and their causes, inplant treatment process bypass, etc.):

Geometric Mean
29

Larry King / *operator In Training*
 Monthly Report of Operation
 Activated Sludge Type
 Wastewater Treatment Plant

RAP ATTACHMENT 2

Name of Facility DOE Creek Permit Number EN For Month Of Oct. Year 08
Severn White 0050148
 Page 2 of 3 Substitute for State Form 10829 (R/12-2005)

CAUSE NO. 43530-U
William L. Garrett 11-22-08
 (SIGNATURE OF CERTIFIED OPERATOR) (DATE)
William L. Garrett 11-22-08
 (SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT) (DATE)

PRIMARY EFFLUENT		AERATION							SECONDARY EFFLUENT		FINAL EFFLUENT						
Day Of Month	CBOD5 - mg/l	Susp. Solids - mg/l	Settleable Solids % in 30 minutes	MIXED LIQUOR			Temperature - F	Volume - MG	Susp. Solids - mg/l	CBOD5 - mg/l	Susp. Solids - mg/l	Residual Chlorine - Contact Tank	Residual Chlorine - Final	E. Coli - colony/100 ml	pH	Dissolved Oxygen - mg/l	Phosphorus - mg/l
				Susp. Solids - mg/l	Sludge Vol. Index - ml/gm	Dissolved Oxygen - mg/l											
Wed 1	↑	↑	300		↑	.22	24.6	↑	↑	↑	↑	↑	↑		4.1	8.20	↑
Thu 2	↑	↑	100	4600	↑	.62	20.2	↑	↑	↑	↑	↑	↑		4.4	2.84	↑
Fri 3	↑	↑	0		↑	.57	20.1	↑	↑	↑	↑	↑	↑	< 10	4.2	4.42	↑
Sat 4	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	0	↑
Sun 5	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	0	↑
Mon 6	↑	↑	150		↑	.20	20.0	↑	↑	↑	↑	↑	↑		4.1	2.90	↑
Tue 7	↑	↑	200		↑	1.2	20.1	↑	↑	↑	↑	↑	↑	40	4.50	3.60	↑
Wed 8	↑	↑	150		↑	3.93	20.7	↑	↑	↑	↑	↑	↑		4.3	8.74	↑
Thu 9	↑	↑	200	4500	↑	1.35	20.9	↑	↑	↑	↑	↑	↑		0	8.85	↑
Fri 10	↑	↑	150		↑	1.18	20.8	↑	↑	↑	↑	↑	↑	10	0	0	↑
Sat 11	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	0	↑
Sun 12	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	0	↑
Mon 13	↑	↑	100		↑	2.29	21.2	↑	↑	↑	↑	↑	↑		5.0	8.77	↑
Tue 14	↑	↑	100		↑	2.10	21.1	↑	↑	↑	↑	↑	↑	< 10	5.1	8.60	↑
Wed 15	↑	↑	100		↑	2.88	21.6	↑	↑	↑	↑	↑	↑		4.77	8.60	↑
Thu 16	↑	↑	150	4000	↑	4.0	19.2	↑	↑	↑	↑	↑	↑		4.20	9.56	↑
Fri 17	↑	↑	100		↑	5.1	19.1	↑	↑	↑	↑	↑	↑	< 10	5.3	4.66	↑
Sat 18	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	9.16	↑
Sun 19	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	9.22	↑
Mon 20	↑	↑	150		↑	4.19	18.8	↑	↑	↑	↑	↑	↑		5.2	8.80	↑
Tue 21	↑	↑	150		↑	4.16	18.9	↑	↑	↑	↑	↑	↑	30	5.1	9.52	↑
Wed 22	↑	↑	220		↑	4.22	18.5	↑	↑	↑	↑	↑	↑		5.3	9.24	↑
Thu 23	↑	↑	0	3900	↑	4.81	18.1	↑	↑	↑	↑	↑	↑		5.12	0	↑
Fri 24	↑	↑	200		↑	3.24	18.8	↑	↑	↑	↑	↑	↑	130	5.1	0	↑
Sat 25	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	9.37	↑
Sun 26	↑	↑	0		↑	0	0	↑	↑	↑	↑	↑	↑		0	8.66	↑
Mon 27	↑	↑	210		↑	2.77	18.1	↑	↑	↑	↑	↑	↑		5.1	9.64	↑
Tue 28	↑	↑	220		↑	0	0	↑	↑	↑	↑	↑	↑	50	5.12	9.62	↑
Wed 29	↑	↑	370		↑	2.16	17.3	↑	↑	↑	↑	↑	↑		5.15	8.77	↑
Thu 30	↑	↑	320	4000	↑	7.12	17.4	↑	↑	↑	↑	↑	↑		5.12	7.48	↑
Fri 31	↑	↑	220		↑	1.78	17.9	↑	↑	↑	↑	↑	↑	< 10	5.04	7.80	↑
Avg.			180	4200		2.96	18.84							< 33.33		7.80	
Max.			310	4600		4.81	24.6							130	5.15	9.50	
Min.			100	1000		.22	17.3							10	4.1	2.84	
Data	V	V	21	5	V	22	22	V	V	V	V	V	V	0	21	22	V

Comments for the Month (major repairs, breakdowns, process upsets and their causes, inplant treatment process bypass, etc.):

Armetis Mear
 29

Terry Kopp *Operator in Training*

Monthly Report of Operation
Activated Sludge Type
Wastewater Treatment Plant

RAP ATTACHMENT 2

William L. Harriott CAUSE NO. 243530-J

(SIGNATURE OF CERTIFIED OPERATOR) PAGE 6 OF 7

William L. Harriott 11-22-08

(SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT) (DATE)

Name of Facility *DOE Creek* Permit Number *IN 0050148* For Month Of: *Oct.* Year *08*

Source *Wetlands*

Page 3 of 4 Substituted for State Form 10829 (R/12-2005)

FINAL EFFLUENT																
Day Of Month	Flow		BOD				Total Suspended Solids				Ammonia				Other	
	Effluent Flow Rate (MGD)	Effluent Flow Weekly Average	CBOD5 - mg/l	CBOD5 - mg/l Weekly Average	CBOD5 - lbs	CBOD5 - lbs/day Weekly Average	Susp. Solids - mg/l	Susp. Solids - mg/l Weekly Average	Susp. Solids - lbs	Susp. Solids - lbs/day Weekly Average	Ammonia - mg/l	Ammonia - mg/l Weekly Average	Ammonia - lbs	Ammonia - lbs/day Weekly Average		
1	.066															
2	.063		2.0		1.05		5.0		2.63		0.17		8.93			
3	.051	7														
4	.098	0		2.0		1.11		5.0		2.79		0.78		4.88		
5	.049															
6	.071		2.0		1.18		5.0		2.96		1.4		0.83			
7	.093															
8	.067															
9	.069		2.0		1.15		5.0		2.88		0.79		0.45			
10	.058															
11	.081	7		2.0		1.14		5.0		2.85		0.48		0.27		
12	.073	0														
13	.068		2.0		1.13		5.0		2.83		0.18		0.10			
14	.075															
15	.069															
16	.067		2.0		1.12		5.0		2.79		0.07		0.04			
17	.063															
18	.072	7		2.0		1.17		5.0		2.93		0.09		0.05		
19	.069	0														
20	.074		2.0		1.23		5.0		3.08		0.12		0.07			
21	.060															
22	.060															
23	.055		2.3		1.05		5.0		2.79		1.1		0.50			
24	.075															
25	.077			2.15		1.23		5.0		2.91		0.62		0.3		
26	.043															
27	.085		2.0		1.42		5.0		3.54		0.14		0.10			
28	.075															
29	.067															
30	.057		2.0		0.95		100				0.12		0.06			
31	.067								3.08							
Avg	0.07		2.03		1.01		11.22		3.07		0.56		1.23			
Max	.098	1.07	2.3	2.15	1.42	1.23	100	5.0	3.54	2.93	1.4	0.78	8.93	4.88		
Min	.043	0.07	2.0	2.0	1.05	1.11	5.0	5.0	2.79	2.79	0.07	0.09	0.04	0.05		
Data	31	4	9	4	9	4	9	4	9	4	9	4	9	4	✓	✓

MONTHLY REMOVAL SUMMARY					Total Monthly Flow:
Percent Removal	BOD5	S.S.	Ammonia	Phosphorus	(million gallons)
Primary Treatment					<i>2.117</i>
Secondary Treatment					Percent Capacity
Tertiary Treatment					(actual flow/design)
Overall Treatment	<i>98%</i>	<i>94</i>	<i>93</i>		<i>35%</i>

Total = 2.117

Avg. = 0.07

Tony King Operator In Training

RAP ATTACHMENT 2

CAUSE NO. 48530-U

Monthly Report of Operation

Activated Sludge Type

Wastewater Treatment Plant

William L. Garriott
(SIGNATURE OF CERTIFIED OPERATOR)

PAGE 7 (of 7)

Name of Facility: *DOE Creek* Permit Number: *0050148* For Month Of: *OCT* Year: *08*

William L. Garriott 11-22-08
(SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT) (Date)

Page 4 of 7 4 Substitute for State Form 10829 (R/12-2005)

Day Of Month	SLUDGE TO DIGESTER		DIGESTER OPERATION										supernatant # 1 TANK	supernatant # 2 TANK
	Primary Sludge # Gal. x 1000	Waste Act. Sludge Gal. x 1000	Anaerobic Only			Supernatant Withdrawn hrs. or Gal. x 1000	Supernatant BOD5 mg/l or NH3-N mg/l	Total Solids in Incoming Sludge - %	Total Solids in Digested Sludge - %	Volatile Solids in Incoming Sludge - %	Volatile Solids in Digested Sludge - %	Digested Sludge Withdrawn hrs. or Gal. x 1000		
Wed 1	2000	200	pH	Gas Production Cubic Ft. x 1000	Temperature - F								9000	1400
Thurs 2	1500	700											8	1000
Fri 3	2000	600											4500	8
Sat 4	8	8											8	8
Sun 5	1500	500											8	1000
Mon 6	2000	400											8	800
Tue 7	8	800											4000	800
Wed 8	2000	500											9000	800
Thurs 9	8	500											8	8
Fri 10	8	500											8	8
Sat 11	8	500											8	8
Sun 12	2000	500											9000	8
Mon 13	1000	500											8	2000
Tue 14	200	500											8	8
Wed 15	1000	600											8000	800
Thurs 16	1000	500											8	800
Fri 17	1000	500											8	8
Sat 18	8	8											8	8
Sun 19	8	8											8	8
Mon 20	2000	800											8000	400
Tue 21	2000	800											8	8
Wed 22	2000	800											8	8
Thurs 23	2000	800											8	8
Fri 24	2000	800											8	8
Sat 25	8	8											8	8
Sun 26	8	8											8	8
Mon 27	8	500											9000	400
Tue 28	8000	1000											8	8
Wed 29	1500	800											8	8
Thurs 30	8	500											8	1000
Fri 31	8	500											8	8
Avg.	1615.7	592.3											7562.2	1233.3
Max.	2000	1000											9000	2000
Min.	200	200											4000	400
Data	31	31	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	8	31

Send completed forms by the 28th of the month to:

Indiana Department of Environmental Management
Office of Water Quality, Mail Code 65-42
100 North Senate Avenue
Indianapolis, Indiana 46204-2251



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

May 3, 2007

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

VIA CERTIFIED MAIL 7002 0510 0003 8209 3705

Mr. William Garriott
Doe Creek Sewer Utility
Cumberland, Indiana 46229

Re: Inspection Summary Letter
Doe Creek Wastewater Treatment Facility
NPDES Permit No. IN0050148
New Palestine, Hancock County

Dear Mr. Garriott:

On April 16, 2007, a representative of the Indiana Department of Environmental Management, Office of Water Quality, conducted an inspection of the Doe Creek Wastewater Treatment Facility, located in New Palestine, Indiana. This inspection was conducted pursuant to IC 13-14-2-2. For your information, and in accordance with IC 13-14-5, a summary of the inspection is provided below:

Type of Inspection: X Complaint Investigation

Results of Inspection: X No violations were observed.
 Additional information/review is required to evaluate overall compliance.
 Potential problems were discovered or observed.

A copy of the Notice of Inspection is enclosed for your records. Please direct any response to this letter and any questions to Andy Schmidt at 317/233-2477.

Sincerely,

Donald R. Daily, Inspections Section Chief
Compliance Branch
Office of Water Quality

Enclosure

NPDES FACILITY NOTICE OF INSPECTION

State Form 47989 (R6 / 5-06)

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

RAP ATTACHMENT 3

CAUSE NO. 43530-U

PAGE 2 OF 4

[illegible]



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

August 15, 2007

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

VIA CERTIFIED MAIL 7002 0510 0004 2579 9762

Mr. William Garriott
Doe Creek Sewer Utility
Cumberland, Indiana 46229

Re: Inspection Summary Letter
Doe Creek Wastewater Treatment Facility
NPDES Permit No. IN0050148
New Palestine, Hancock County

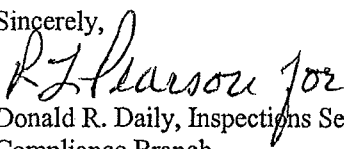
Dear Mr. Garriott:

On July 6, 2007, a representative of the Indiana Department of Environmental Management, Office of Water Quality, conducted an inspection of the Doe Creek Wastewater Treatment Facility, located in New Palestine, Indiana. This inspection was conducted pursuant to IC 13-14-2-2. For your information, and in accordance with IC 13-14-5, a summary of the inspection is provided below:

Type of Inspection: X Compliance Sampling Inspection

Results of Inspection: X No violations were observed.
 Additional information/review is required to evaluate overall compliance.
 Potential problems were discovered or observed.

A copy of the Notice of Inspection is enclosed for your records. Please direct any response to this letter and any questions to Andy Schmidt at 317/233-2477.

Sincerely,

Donald R. Daily, Inspections Section Chief
Compliance Branch
Office of Water Quality

Enclosure



NPDES FACILITY NOTICE OF INSPECTION

State Form 47989 (R6 / 5-06)

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

RAP ATTACHMENT 3

CAUSE NO. 43530-U

PAGE 4 OF 4

Facility and Inspection Information

NPDES Permit #: IN0050148	Facility Type Code: <input type="checkbox"/> 1 = Municipality <input checked="" type="checkbox"/> 2 = Industry/Semi-Public <input type="checkbox"/> 3 = Agricultural <input type="checkbox"/> 4 = State/Federal	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Classification Per Permit: I
This is to notify you that on 7-6-07 (month, day, year) an inspection of the specified facility was conducted by the undersigned representative of the Indiana Department of Environmental Management, Office of Water Quality.			
TYPE OF INSPECTION (may include more than one): <input type="checkbox"/> Compliance Evaluation Inspection (C) <input type="checkbox"/> Reconnaissance Inspection (R) <input type="checkbox"/> Industrial User Inspection (I) <input type="checkbox"/> Sanitary Sewer Overflow Inspection (V) <input type="checkbox"/> Complaint (J) <input type="checkbox"/> Multi-media Screening Evaluation (M) <input type="checkbox"/> Combined Sewer Overflow Inspection (Y) <input checked="" type="checkbox"/> Compliance Sampling Inspection (S) <input type="checkbox"/> Other			
Name and Location of Facility Inspected: (number, street, city, zip code) Doe Creek Sewer Utility Shildmeier Woods New Palestine County: Hancock		Receiving Waters/POTW: Doe Creek	Permit Expiration Date: 4-30-11
Name(s) of On-Site Representatives: Bill Garriott		Title(s): President	Phone: (317) 894-3158 Fax: ()
Certified Operator: Bill Garriott	Number: 10366	Class: I	<input type="checkbox"/> Full Time <input checked="" type="checkbox"/> Part Time
	Renewal Effective Date: 7-1-07	Expiration Date: 6-30-09	Hours per Week: 20
Name and Address of Responsible Official: (number, street, city, zip code) Mr. William Garriott P.O. Box 29178 Cumberland, IN 46729		Title: President Doe Creek Utilities	Phone: (317) 894-3158 Fax: ()
		Contacted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Facility Design Flow: .200 MGD

Areas Evaluated During Inspection

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated, NA = Not Applicable)

<input checked="" type="checkbox"/> Receiving Waters Appearance	<input checked="" type="checkbox"/> Facility/Site	<input checked="" type="checkbox"/> Self-Monitoring Program	<input checked="" type="checkbox"/> Compliance Schedules
<input checked="" type="checkbox"/> Effluent Appearance	<input checked="" type="checkbox"/> Operation	<input checked="" type="checkbox"/> Flow Measurement	<input checked="" type="checkbox"/> Pretreatment
<input checked="" type="checkbox"/> Permit	<input checked="" type="checkbox"/> Maintenance	<input checked="" type="checkbox"/> Laboratory	<input checked="" type="checkbox"/> Effluent Limits Violations
<input checked="" type="checkbox"/> CSO/SSO (Sewer Overflow)	<input checked="" type="checkbox"/> Sludge Disposal	<input checked="" type="checkbox"/> Records/Reports	<input checked="" type="checkbox"/> Other:

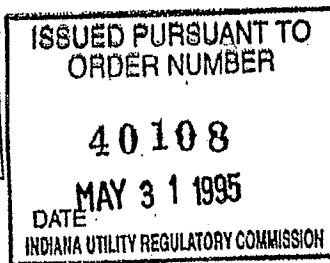
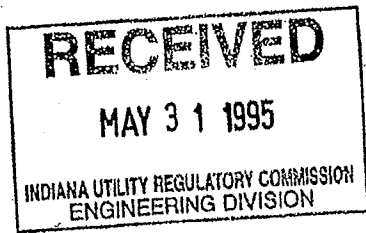
Preliminary Inspection/Screening Findings*

*These findings are considered preliminary and identify specific compliance issues discovered during the above-noted inspection that the designated agent of IDEM believes may be a violation of a statute(s), rule(s) or permit(s) issued by IDEM.

SINGLE MEDIA INSPECTION:

- ☒ No violations were discovered with respect to the particular items observed during the inspection. (5)
☐ Violations were discovered but corrected during the inspection. (4)
☐ Violations were discovered and require a submittal from you and/or follow-up inspection by IDEM. (2)
☐ Violations were discovered and may subject you to an appropriate enforcement response. (1)
☐ Additional information/review is required to evaluate overall compliance. (6)
☐ Potential problems were discovered or observed. (3)

Comments Regarding Unsatisfactory Ratings - Including Rule or Permit Citation(s):

**SCHEDULE IURC-2**

Cancels previous schedule
approved by the IURC
on June 27, 1980 in
Cause No. 35881

SCHEDULE OF RATES AND CHARGES

DOE CREEK SEWER UTILITY, INC.
P.O. Box 29178
Cumberland, Indiana 46229

This Schedule shall apply within the area in Hancock County for which Doe Creek Sewer Utility, Inc. (the "Utility") was granted a Certificate of Territorial Authority in Cause No. 35881 on May 14, 1980.

Pursuant to the IURC's Order dated May 24, 1995 in Cause No. 40108, this Schedule shall be issued and effective from and after the date of its approval by the IURC's Engineering Division.

This Schedule is issued by William L. Garriott, President, Doe Creek Sewer Utility, Inc., P.O. Box 29178, Cumberland, Indiana 46229.

Connection Charge. Each residential user, prior to being connected to the sewage disposal system, shall pay to the Utility a Connection Charge in the amount of \$200.00. The Connection Charge shall cover the Utility's cost of: (1) inspecting the sewer line from the house to the sewer main during construction and upon its completion; (2) inspecting and providing the tapping-in to the sewer main; and (3) coordinating the inspection and construction and doing the necessary paperwork and review of plans and specifications for construction of service lines. Any needed screens, shredders or lifts shall be furnished and installed by the user in his or her portion of the service pipe extending from the end of the Utility's portion into the user's premises.

~~Flat Rate for Sewage Disposal Service. Each residential user shall be charged a flat rate of \$39.50 per month for sewage disposal service.~~

Deferred Payment Charge. To all bills allowed to become delinquent, there shall be added a deferred payment charge, on the following basis:

10% on the first \$3.00 of bill,

3% on all excess over \$3.00.

MONTHLY RATES AND CHARGES FOR SEWER SERVICE



Locality Where Applicable

The following rates and charges are applicable to customers located within Doe Creek's Certificate of Territorial Authority and who connect to the Utility.

General Service Rate

Metered Users:

Monthly Minimum Charge - Per EDU (10,000 gallons per EDU) *	\$39.50
Metered Rate per 1,000 Gallons (subject to Monthly Minimum)	\$3.95

* Minimum charges for all metered users shall be based upon the equivalency factors for unmetered users.
 An EDU represents one equivalent (single family) dwelling unit.

Unmetered Users:

Minimum Monthly Charge - Per Customer	\$39.50
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Type of Service - as defined per unit	Equivalency Factor (EDU)**	Monthly Charge Per Unit
1 Single Family Residence	1.00	\$39.50
2 Two Family Residence	1.80	71.10
3 Multi-Family & Apartments-per unit	0.70	27.65
4 Mobile Homes & Parks-per unit	0.80	31.60
5 Motels & Hotels-per unit (Restaurant see below)	0.40	15.80
6 Service Clubs & Churches-per 200 members or fraction thereof:		
Without Kitchen	1.00	39.50
With Kitchen	2.00	79.00
7 Office Use-per 1,000 square feet	0.50	19.75
8 Health Service Office-per exam room	0.60	23.70
9 Person Care-per chair	0.40	15.80
10 Restaurant-per seat	0.10	3.95
Food Drive In-per car space	0.20	7.90
Fast Food per employee	0.20	7.90
11 Food and Drug Retail Service-per employee	0.20	7.90
12 Laundry-per washer	1.30	51.35
13 Car Wash-per bay	2.00	79.00
14 Service Station	1.50	59.25
15 Retail Sales & Service-each 3 employees or fraction thereof:	1.00	39.50
16 Manufacturing-per 8 employees-sanitary use only	1.00	39.50
17 Manufacturing Other- as determined by DCSU	***	***
18 Warehouses-per 40,000 square feet	1.00	39.50
19 Bars & Cocktail Lounges-per seat-without restaurant	0.05	1.98
20 Bowling Alley-per alley	0.40	15.80
21 Bowling Alley with Bar-per alley	2.00	79.00
22 Dentist Office-per chair	1.40	55.30
23 Physician's Office-per examining room	0.60	23.70
24 Schools With Gym & Cafeteria-per student	0.06	2.37
25 Speculative Commercial/Industrial-per acre	0.04	1.58
26 Other uses as determined by DCSU	***	***

** Equivalent (Single Family) Dwelling Unit

*** DCSU may determine a user's EDU equivalent based upon information provided by the user.

R. Lee
& Associates, P.C.
Law Office

8900 Keystone Crossing
Suite 1100
Indianapolis, IN 46240

Telephone (317) 816-8744
Facsimile (317) 816-8745
www.RLeeLaw.com

Of Counsel:
Goodin Abernathy, LLP

February 13, 2009

VIA FACSIMILE
(317-232-5923)

Indiana Office of Utility Consumer Counselor
National City Center
115 W. Washington St., Suite 1500 South
Indianapolis, Indiana 46204

Re: Doe Creek Sewer Utility, Inc. Rate Case
IURC Cause No. 43530-U


Dear Sir or Madam:

We represent New Palestine Family Dentistry, P.C., located at 7285 W. U.S. 52 in New Palestine, Indiana. New Palestine Family Dentistry, P.C. ("NPFD") is a dental office owned and operated by Dr. Vanessa Lee and a new customer of Doe Creek Sewer Utility, Inc. ("Doe Creek").

Please find with this correspondence a letter from Dr. Vanessa Lee expressing her objection to the rate increase and her supporting explanation of her usage.

The proposed (and existing) rates by Doe Creek are not fair and equitable and not justified by the usage of NPFD. On behalf of NPFD, we request that the proposed rate increase be denied and that the current rate be examined. Doe Creek should be required to determine and provide results of actual usage of a dental office comparable to NPFD and any rate determinations should be based on such results. The usage assumptions for dental offices are obsolete and have not been adjusted to reflect the change in technology. Dental cuspidors (bowls) and wet vacuums were the likely contributors to the usage level and these items are no longer preferred dental equipment and certainly not present in NPFD's office.

Very truly yours,
R. LEE & ASSOCIATES, P.C.


Robert C. Lee
Attorney at Law

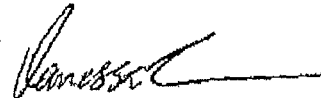
FEB-10-2009 03:10P FROM:

TO:13178168745

To OUCC- cause no.43530-U.

I just opened up a dental office at 7285 W. US 52 New Palestine, IN. Before the move we were on a septic system. Once I moved to the new location we are now on Doe Creek Sewer Utility, Inc. I received their request to your agency for an increase in fees. I just found out that they want to charge a dental office \$74.99 a month PER CHAIR. I am not opposed to being charged more for the sewage treatment because I am a business, but to be charged per chair is not a fair evaluation of how much my office puts out in sewage. I am being charged more than a laundry mat business whose sole function is to produce waste water on a daily basis from 8am-8pm 7 days a week. I am a dental office that is only open 3.5 days a week and we do not have the same waste water amounts that even a common household would have. I doubt we even use as much as a common household would use. Each operatory we have uses about a half gallon of water every 2 days. All of our dental operatories have their own closed water system which we fill with about a half gallon of distilled water every 2 days. Our bathrooms do not have showers. We don't do laundry like common households, nor do we do dishes like a common household. How were these fees determined? To determine the waste production for a dental office should not be based on how many operatories are present, but rather it should just be a flat fee. If this proposed increase in fees for a dental office is passed I would be paying \$450.00 a month for sewage removal whereas a restaurant say with a capacity of 50 people is only charged \$5.33 per seat that means they would only be charged \$266.50 a month. A restaurant has dishes they wash on a constant basis, food preparation, cooking preparation and bathrooms that are used constantly throughout the daily business and are open 7 days a week. These fees should be based on actual usage. I am more than open to showing anyone who would like to see my office how much water sewage we put out on a daily basis and whoever determined what they think a dental office uses is way off the mark to what we actually use. I am asking you to please deny Doe Creek Sewer Utility's rate increase.

Sincerely,



Dr. Vanessa Lee
7285 W. US highway 52
New Palestine, IN 46163
(317) 861-5000

9 February 2009

Indiana Regulatory Utility Commission (IRUC) Hearing

RE: Doe Creek Sewer Utility Rate Increase

First, we would like to thank the IRUC for taking the time to hear our concerns. As residents of Schildmeier Woods we are not objecting to a reasonable rate increase; however a jump of 35% during this time in our economy is excessive.

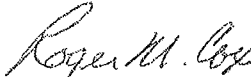
Having worked in the private sector for 53 years I am aware that inflation will cause operating expenses to increase 2 to 4% annually. Our objection is why the Doe Creek Sewer Utility has failed to plan for the future and now needs \$243,000/yr to maintain and operate the facility and make a fair profit on their investment.

I have been living in the Schildmeier Woods addition since 1996, and have not seen any new home construction during this time. Why now is an additional aeration basin required?

Since retiring in 2001 and living only six properties from the plant we seldom see any activity at the site and causes us to think the owner's overhead is minimal and the plant operates efficiently.

In closing we would ask the commission to give serious consideration to the amount of this increase and if granted, how the additional \$63,000/yr will be invested for upgrades and what kind of time frame the owners anticipate for additions they believe are needed. Furthermore will the utility be required to submit a plan which will keep a large rate increase from happening in the future?

Again, thank you for chairing this hearing and allowing time for objections.


ROGER M. COX
317-861-6801